(b) Statements showing State-wise allotment and offtake of rice and wheat during the last three years are given in the Annexure (See Appendix 198 Annexure No. 3)

(c) A Statement showing State-wise procurement of rice and wheat for the last three years is given in the Annexure *(See* Appendix 198 Annexure No. 3).

The uniform Minimum Support Prices (MSP) of paddy and wheat at which these have been procured from the farmers in the last three marketing seasons are as under:—

(Rs. Per Qtl.)

Marketing Season	Paddy		Wheat
	Common	Grade-A	
1999-2000	490	520	550
2000-01	510	540	580
2001-02	530	560	610
2002-03	530*	560*	620

*Government has allowed payment of Special drought relief price of Rs. 20/- per quintal for paddy.

(d) and (e)The MSPs of major agricultural commodities fixed by the Government not only cover the cost of production but also provide for a reasonable margin as an incentive to improve production and productivity. The cost of production-taken into account in fixing the MSPs covers not only paid-out costs but also imputed value of owned assets including land and family labour for which the farmers do not incur cash expenses. Hence, the MSPs are remunerative in nature. In case of natural calamities, the farmers are compensated by way of relaxation in uniform specifications, payment of drought relief, etc.

Subsidy for sugar industry

227. SHRI K. RAMA MOHANA RAO: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Government are thinking* of giving Ocean freight subsidy to boost sugar exports;

(b) if so, the details thereof;

(c) whether Government are also thinking of extending any excise concessions to the sugar industry; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SUBHASH MAHARIA): (a) and (b) It has been decided that neutralization of ocean freight disadvantage would be reimbursed to sugar factories at the rate of Rs. 350 per tonne.

(c) and (d) No specific information relating to concessions can be provided.

Procurement by FCI in Chhattisgarh and Madhya Pradesh

228. SHRI P.K. MAHESHWARI: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the quantity of paddy purchased by the Food Corporation of India in Chhattisgarh and Madhya Pradesh during the current year; and

(b) whether any agency other than the Food Corporation of India is also purchasing paddy in both the States and if so, the minimum support price received by the farmers?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SUBHASH MAHARIA): (a) and (b) In Madhya Pradesh, paddy is procured both by FCI and State agencies while in chhattisgarh paddy is procured under the decentralized procurement scheme by the State agencies only. During the current Kharif Marketing Season 2002-03 as on 14.2.2003 in Madhya Pradesh, a quantity of 988 MT of paddy has been procured by the FCI and 89,674 MT of paddy has been procured by the State agencies. In Chhattisgarh, the State agencies have procured 13,31,159 MT of paddy upto 14.2.2003.

In Madhya Pradesh, besides the FCI, the State Government/its agencies, *i.e.* Primary Agricultural Credit Societies are undertaking procurement of paddy at MSP declared by Government *viz.* Rs. 530 per quintal for Common and Rs. 560 per quintal for Grade 'A' paddy. Besides a special drought relief price of Rs. 20 per quintal on paddy over and